FACTS ON FILE

Weekly World News Digest with Cumulative Index

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WORLD AFFAIRS

SUMMARY. *Chinese Reds fell back after Korean drive failed. Gen. Marshall disputed Gen. MacArthur's Senate testimony. U.S. Senate banned aid to nations shipping war materials to Reds; Britain banned rubber shipments to Red China. U.S. rebuffed Russia on Japanese treaty voice for Red China. U.S. troops flew to defend Iceland under Atlantic pact. West Germany approved for equal Council of Europe membership; Nazis showed strength in West German, Austrian elections. Panamanian Pres. Arias ousted for seeking dictatorship. Israel, Syria accepted UN cease-fire plea on border strife. U.S. cut tariffs on 10% of its imports under Torquay pacts. Senate doubled size of U.S. Marine Corps to 400,000 men. Heavy death toll in El Salvador earthquake. Conrad Richter's novel* The Town *won Pulitzer Prize. Kentucky Derby winner: Count Turf.*

KOREA

Reds Retreat. The Communists pulled back almost to the 38th Parallel in western and central Korea this week after their costly spring offensive bogged down. UN troops reentered Munsan, 21 miles north of Seoul, May 10 and South Koreans reported same day they had killed 6,000 Reds trying to outflank Seoul on the west. UN tanks reentered Chunchon on the central front and Inje, north of the 38th Parallel, May 10. [See p. 137C]

Air Base Hit. In the UN's biggest air raid of the war 312 planes attacked the Sinuiju base in extreme northwestern Korea, across the Yalu river from Manchuria, May 9. Target: what appeared to be 100 Red planes parked on the ground. About 50 Red jets took to the air from nearby Antung, Manchuria during the raid but only 13 crossed the Yalu to give battle. No plane losses for either side in dogfights were reported. [See 129E, 123J]

Ridgway. Gen. Matthew B. Ridgway, Gen. MacArthur's successor, was promoted to 4-star rank of full general by Pres. Truman May 9. The Senate concurred May 10. Ridgway said in a letter May 10 to Lt. Gen. James A. Van Fleet, 8th Army commander, he believed "the crest of the Communist wave" in the world "has been broken" with the failure of the Reds' Korean offensive this month. [See p. 137E-J]

Casualties. Published U.S. war casualties as of May 4, reported May 9: 64,055 (11,001 dead, 42,215 wounded, 9,562 missing, 114 captured, 1,163 previously missing but now safe). The U.S. also reported May 5 that South Korean Army casualties through March 9 totaled 168,625 (16,182 killed, 88,511 wounded, 63,959 missing). Total casualties for the 13 countries with fewer forces in the Korean war March 9: 3,173 (681 dead). Canadian casualties reported May 7: 121 (33 dead). [See pp. 138B-C, 106A]

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MacARTHUR CONTROVERSY

Top Generals Clash. National debate over Korean war tactics, U.S. policy on the Far East since World War II, global strategy and the justification of Gen. Douglas MacArthur's ouster was still centered this week in closed hearings held by the Senate Armed Services & Forgn. Relations Coms. in Washington.

MacArthur finished telling the committees May 4-5 that he believes: (1) The U.S. is fighting without a victory plan in Korea, must use more aggressive tactics against Red China to stop the "slaughter." (2) Russia is not likely to intervene, can't defeat the Allies in the Far East if it does. (3) Danger of World War III will be heightened if the Reds win in Korea; war there is using up U.S. troops needed on other defense fronts. (4) He did not deserve to be relieved of his Far Eastern commands.

His testimony was rebutted for the Govt. by Defense Secy. George C. Marshall, MacArthur's only senior among 5-star generals, who appeared before the Senators May 7-10. Pres. Truman also answered MacArthur in speeches May 7 and 9. MacArthur's main support still came from Republicans.

Soviet Threat in Far East

Wide World

After Gen. Douglas MacArthur discounted danger of Soviet intervention in Korea, Defense Secy. George C. Marshall told Senate group May 8 "considerable" Soviet planes are massed at Siberian, Manchurian points underlined, also that Soviet troops were reported concentrated on Sakhalin Island near Hokkaido (Japanese). UN planes have been forbidden to bomb Korean Red base at Rashin (underlined) for fear of hitting Siberia. But USAF planes struck hard May 9 at Red AF bases at Sinuiju, in northwestern Korea on Manchurian frontier.

On the public record (some vital testimony on war matters, including new weapons, was kept secret) Marshall said: (1) The Chinese Red Army is being bled white through futile and costly efforts to throw UN forces out of Korea, can be worn down to the point where Peking must accept peace. (2) There is grave danger the Korean tactics MacArthur recommends would draw powerful Soviet forces into the Korean war, invite a retaliatory Soviet attack in Europe. (3) The Joint Chiefs of Staff don't agree with MacArthur on Korean strategy as MacArthur contends. (4) The Govt. is as determined as MacArthur that Red China must not be appeased by letting it get Formosa or a seat in the UN. (5) MacArthur deserved to be ousted because his persistent public statements challenging U.S.-UN policy flouted instructions from Pres. Truman, almost split the Allies.

Opposite Arguments. 9-hour sessions May 4 and 5 wound up MacArthur's testimony before the Senate committees and produced a 174,000-word transcript for his 3-day appearance. Highlights of his and Marshall's testimony, plus statements by Mr. Truman this week, showing main points of discord and agreement:

MacARTHUR TESTIMONY MAY 4-5*

Korean Tactics—The Govt. has no plan except to continue an indefinite war of "softness" in Korea at heavy cost in American lives. It will be "perpetuating a slaughter such as I have never heard of in the history of mankind" if it does not force the Chinese Reds to "cease their depredation" in Korea by bombing out their supply bases in Manchuria and China, using the Navy to cut them off from all seaborne supplies, using Formosa Nationalist forces against the Chinese Reds in Korea or elsewhere. He insisted the Joint Chiefs of Staff recommended these moves Jan. 12 but some higher authority vetoed them. He said the Allies can win in Korea in "a reasonable time" if they take all wraps off their air and sea forces, "release the power we now possess" in Korea. No additional forces would be required except perhaps 2 big-bomber air groups, a few warships. He ruled out a U.S. invasion of Red China.

Russian Intervention—It is doubtful a Soviet Army will enter the Korean war because it would have to depend on tenuous supply lines to the European USSR. If Russia did intervene it would be mostly with planes, would mean attacks on Japan and depredations by Soviet subs but "I don't believe that any attack the Soviet can make in the Far East would overcome our forces there." He would take the risk of Soviet intervention.

Global Strategy—He first said this was "not my responsibility," asked to be questioned about "my own area." Sen. Brien McMahon (D., Conn.) replied in the May 4 session this amounted to a concession that MacArthur was preoccupied with problems of his Far Eastern theater, left global strategy to the Joint Chiefs and President. Later MacArthur expressed these opinions: Cleaning up the western Pacific would not "seriously interfere" with the scheduled 2-year Atlantic pact buildup of Europe's defenses. "If we bring the Pacific situation to stability, it will release a great many of the components of the armed force in the Pacific now that would be used in Europe in case of necessity." "The first line of defense now for Europe is right where we are fighting" in Korea. "It is a global effort, and if you breach that, it will roll around to Europe as sure as the sun rolls around." "The initiatory effort of your potential enemy is already under way. I believe if you don't meet it in Korea you are doomed to destruction."

MacArthur rejected the Herbert Hoover theory that the U.S. should keep its troops at home, aid allies with sea and air forces. [See pp. 130D, 82M]

Atomic War—"The first blow in the next war may well be a decisive blow . . . As long as you have a maverick running loose in the world, it means that your necessity for preparedness increases unless you can find the formula to settle the whole matter." But there is "no possibility of the potential enemy being able to take out our capacity for immediate counter-attack, and that capacity at the present time as far as atomic warfare is concerned is infinitely greater than that of the enemy."

The Enemy—"Communism all over the world," not the USSR in particular, is the main enemy. He said Russia is simply the strongest Communist force now. He would not agree that Red China is completely servile to the Kremlin, refused to indorse U.S. aid to the anti-Soviet Reds in Yugoslavia.

Formosa, Nationalists—Chiang Kai-shek has 500,000 troops on Formosa who, with U.S. equipment and training and competent officers, could be first-class. He has a fair air force, an insignificant navy which nevertheless is better than Red China's. Major Nationalist invasion of the mainland might be impractical but the mere "threat" of Chiang's force would tie up large Red forces to defend points where he might strike, take pressure off Korea. Up-to-date Nationalist troops would be useful in Korea; MacArthur asked for them in January after having turned them down last summer.

"Under no circumstances" must Formosa fall into Red hands because it is the "master strategic bastion" in an island chain of anti-Communist defenses from Alaska to Singapore; its loss would move the Pacific defense frontier to the U.S. coast. He charged that Marshall, in late March, vetoed a recommendation by the Joint Chiefs that there be no discussion in UN peace talks with Red China of giving Formosa to the Reds.

MacArthur disclaimed detailed knowledge how Chiang Kai-shek governed China or was driven off the mainland, pointing out his command area did not include China then. But he said the U.S. position in China was set back "a hundred years" when Washington did not do whatever was required to prevent Red victory in the Chinese civil war. He said Chiang is now making a good record in liberalizing his rule of Formosa.

Consultation—MacArthur shared the "mistake" of withdrawing U.S. occupation forces from Korea in 1948 but was not consulted about U.S. policy in China or UN intervention in Korea.

Tokio Intelligence—MacArthur on the charge his Intelligence Section in Tokio would not work with the Central Intelligence Agency: "Pure bunkum." [See p. 139B, H]

Dismissal—He never violated a military directive, did not feel he was out of line in his public statements while commanding in Korea. Instead of violating U.S.-UN policy, he was trying to get Washington to clear up a "vacuum" in which there was "no policy" for winning the war. He could have been retained as Japanese occupation commander, relieved only in Korea. When Sen. J. William Fulbright (D., Ark.) claimed knowledge May 4 that State Secy. Dean G. Acheson was the Administration's "most vigorous opponent" of ousting MacArthur, the general replied he did not blame Acheson for his dismissal. (The State Dept. denied May 5 that Acheson opposed relieving MacArthur.)

United Nations—The UN concept is "a step in the right direction" toward abolishing war but the UN has "mechanical defects." It has made its "greatest mistake" in not taking measures necessary to win in Korea. No UN country except the U.S., South Korea has more than "token" forces there. The ROK Army lacks heavy weapons, experienced officers. Allies who threaten to break away if the U.S. does not do their bidding are useless.

Outlawing War—The world should follow Japan in adopting Constitutional bans on aggressive war. The U.S. should "try through the UN or some other forum to get an agreement with the nations" to pass legislative renunciations of war. "Debate it and see who are the people that stand out against it . . . Do it conditionally upon the others—take the moral leadership of the world, which is ours, and try something like that."

Japan—"A great social revolution" has taken place almost unnoticed by the outside world. Expecting harsh treatment under U.S. occupation, the Japanese have responded "to the good deeds that we have given them" and are revamping their society along lines of the American "system of life." They hate communism because of their determination to cling to new-found personal freedom and their ancient enemy, Russia, personifies communism. Japanese land reform and breakup of industrial monopolies has put an end to feudalism and the heyday of "tycoons," produced a free enterprise system like that of the U.S. [See pp. 122E, 121D]

MARSHALL'S TESTIMONY MAY 7-10

Korean Tactics—Much of what Marshall told the Senators about war plans, possibly including information on new atomic and other weapons, was censored for security reasons. On the record he said: By inflicting "terrific casualties" on the Chinese Reds, the UN is "chewing up" the "trained fabric of the Chinese armies." Life is held "cheap" in China but the Reds cannot keep throwing away their best units. "We have filled the hospitals all over China," and the Reds are having trouble running that country. They have an infinitely harder time than the U.S. training and equipping first-class troops. Present U.S. tactics can "develop the best probabilities for reaching a satisfactory negotiatory basis."

MARSHALL

It is uncertain whether the Chinese can be driven out of Korea but the bombing and naval blockade urged by MacArthur would not bring that about. The U.S. is already employing a total economic blockade against Red China, trying to get the rest of the UN to do so. (For this week's developments on U.S. and British moves to shut off supplies to Red China see p. 149D. Opposition to use of economic sanctions against Red China was fading in UN discussions in N.Y.) Direct attacks on China would broaden the war, increase rather than reduce U.S. casualties, intensify Chinese resistance, probably draw Russia in. It would be a "very tragic affair" for the UN to pull out of Korea. The fight must go on until the Reds are convinced their aggression is futile. He assailed MacArthur's attack on U.S. strategy on grounds it could make UN troops in Korea believe their sacrifices are "without justified purpose." (MacArthur's aide, Maj. Gen. Courtney Whitney, replied in New York May 9: GIs in Korea will "react favorably" to MacArthur's "courage" in calling for measures "to protect his former command.")

On MacArthur's claim his plan for air-sea action against Red China was recommended by the Joint Chiefs of Staff Jan. 12: Marshall said the Jan. 12 recommendations, 16 in all, were only "tentative" suggestions how warfare against Red China could be maintained if the Allies had to withdraw from Korea. These plans were shelved when the UN army staged a comeback below Seoul in January and February. Pres. Truman tried in December to get 13 other UN countries with forces in Korea to approve "hot pursuit" of Red planes for a limited distance into Manchurian air, but "they voted solidly against it, so for the time being we had to drop that." MacArthur was forbidden by the U.S. Joint Chiefs to bomb Rashin, North Korean supply center 35 miles from Siberia, for fear of accidental attack on Siberia. Otherwise orders are that all fighting must be confined to Korea unless U.S. forces are attacked elsewhere, whereupon they will retaliate. [See p. 138E]

Russian Intervention—Whereas MacArthur sees "no danger whatever" of Soviet intervention if attacks are launched against Red China, top Washington councils see a "very real possibility" Russia would come in with "considerable" troop and air strength. That would mean "world war." Marshall gave the Senators off-the-record estimates on big Soviet land and air forces deployed in Siberia and Manchuria. He cited Red China's defense alliance with Russia under which Russia is pledged to help China resist attack by Japan or countries "allied" with Japan. Both Marshall and MacArthur said Japanese troops had not been used in Korea for this reason.

Global Strategy—Marshall said: "We have persistently sought to confine the conflict to Korea and to prevent its spreading in a 3d world war. In this effort, we stand united with the great majority of our fellow members in the UN. Our efforts have succeeded in thwarting the aggressors in Korea and in stemming the tide of aggression in Southeast Asia and elsewhere," also have won "sorely needed time and impetus to accelerate the building up of our defenses and those of our allies." MacArthur "would have us . . . risk involvement not only in an extension of the war with Red China but in an all-out war with the Soviet Union . . . at the expense of losing our allies and wrecking the coalition of free peoples . . . even though

*See p. 138E-J for MacArthur's testimony May 3

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the effect of such action might expose Western Europe to attack by the millions of Soviet troops poised in middle and eastern Europe. This fundamental divergence . . . arises from the inherent difference between the position of a field commander, whose mission is limited to a particular area and a particular antagonist, and the position of the Joint Chiefs of Staff, the Secy. of Defense and the President, who are responsible for the total security of the U.S." The U.S. has "no choice" but to help defend West Europe. Main U.S. strategy is to build up the free world's defenses, beat back the Reds wherever they strike.

Atomic War—The U.S. knows there was an atomic explosion in Russia in 1949, must assume the Russians have A-bombs. A "considerable number" of Soviet bombers could get through to U.S. targets for a surprise attack.

Dismissal—No one statement but the "cumulation" of statements by MacArthur challenging Washington's policy so disturbed Allied relations he had to be relieved. He ignored warnings including a personal letter from Mr. Truman Jan. 13 explaining why "great prudence" must be exercised so as not to widen the Korean war. The U.S. could not have "2 voices"—MacArthur's and Mr. Truman's—on foreign policy. The Joint Chiefs decided MacArthur must be relieved because there was "grave doubt" whether he could "be permitted to exercise the authority in making decisions" as a theater commander. Marshall said it was decided Gen. Matthew B. Ridgway had to take over all MacArthur's posts so there would be no divided command in Japan. Army Secy. Frank Pace was to have told MacArthur ahead of time of his ouster but Pace, who was in Korea, didn't get the message in time to do so. The "disagreeable" question of MacArthur's relief was weighed for several days. The announcement April 11 was speeded up a day or so when there were indications the plan was leaking.

Intelligence—The Central Intelligence Agency had trouble with MacArthur's G-2, Maj. Gen. Charles Willoughby.

Consultation—Messages between Washington and Tokio before U.S. intervened in Korea last June amounted to "an approximation of consultation."

Formosa, Nationalists—The U.S. does not intend to let the Reds get Formosa or "shoot their way into the UN." It recognizes that these questions might be discussed in a Korean peace parley but the U.S. won't accept them as conditions of peace. Marshall said May 10 it was his "very decided impression" the U.S. should use its UN veto to keep Red China out of both Formosa and a seat in the UN. Use of Nationalists against the Chinese Reds is a political question which the U.S. cannot decide alone. Marshall does not think Nationalist troops would be an asset in Korea. During his "impossible" 1945-6 mission to China to mediate the civil war for Pres. Truman, Marshall tried to get the Chinese to set up a government in which all factions, including the Reds, would be represented but the Nationalists would be dominant. Questioning of Marshall on his China mission brought out he had Victor Kendrick, now UP bureau manager in Hong Kong, fired as OWI news editor in Shanghai for slanting a Truman statement on China to favor admission of the Reds to the Chinese Govt. (Kendrick said May 9 he did not change the sense of Mr. Truman's statement in rewriting it into news-story form.) [See p. 97J; Vol. VII, 7D]

Congress' Attitude—The MacArthur hearings have caused vital preparedness legislation to be "completely held up" in the sense that Senators most concerned with it are occupied with the hearings. On "manpower" legislation, "which really means Universal Military Training and service . . . every day of delay is unfortunate," Marshall declared in his testimony May 10.

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Truman Statements. Mr. Truman told his news conference May 10 Gen. Marshall had been stating the Administration's position well and telling the exact truth, word for word, during his appearances before the Senate committees. The President also made 2 speeches this week bearing on the MacArthur controversy. He told a civilian defense conference in Washington May 7 a single A-bomb dropped on a U.S. city in another world war would cause "many times more casualties than we have suffered in all the fighting in Korea." He rejected MacArthur's "go it alone" advice on attacking Red China, said the U.S. and its allies are determined to stick together, "build their thrength and unity" and thus "compel a change in the Soviet drive for power and conquest." He said the Reds had been stopped in southeast Asia and weakened in China because of their Korean difficulties, reported "growing signs of unrest behind the Iron Curtain." He denounced "cynics who scorn the UN" and promised, "If we stick to our guns and continue to punish the aggressors, we can end the aggression in Korea" without bringing on an atomic war.

(In New York Gen. Whitney said May 7 MacArthur's comment on the Truman speech was: In weighing aggressive plans Russia is more concerned with "the potentiality of destruction to Soviet rather than American cities.") [See p. 138G]

In another speech May 9 Mr. Truman warned business men of the Interior Dept.'s Industry Advisory Council that the nation's worst danger was "the tendency to relax every time there is a lull in hostilities." 2 other "enemies" are: (1) aggression; "we are shooting that one out in Korea, as we did in Greece and Berlin and other places," and (2) inflation; "we are taxing and by controls curing inflation—we hope."

Peace in Korea will not end "the global danger of Soviet aggression," he said. "We must build up enough military strength . . . to convince the Kremlin that it ought not to start a world war." U.S. defense experts have developed a plan to do both this and to "mobilize quickly for war" if the Kremlin starts one, he said. This will mean more economic controls and diversion of plants, materials and men to defense. "We are going to feel this . . . severely in the months to come," he predicted.

U.S. output in the first half of 1951 is at about $307 billion a year—the same rate (allowing for price changes) as in 1944, World War II's peak production year, Mr. Truman said. "We have the resources and the technology to grow by about 5% a year over the next few years," reaching a $350 billion rate in 3 years. [See pp. 116J, 140A-B]

Gov. Thomas E. Dewey, in a New York speech May 10, said the "great debate" over MacArthur's ouster must produce a definite U.S. program of "no appeasement" for the Far East to go with the Atlantic pact program for Europe. He urged support of the Chinese Nationalists in any campaign they want to wage against the Reds, U.S. veto of UN membership for the Chinese Reds, defense of Formosa, a global ban on "any trading whatsoever" with Red China, a U.S. of Europe, admission of Greece, Turkey, Yugoslavia and Spain to the Atlantic pact, UMT in the U.S. He assailed Mr. Truman's "midnight" ouster of MacArthur on grounds the President made no attempt to reach an understanding with the general. [See p. 114M]

Public Hearings Rejected. Republicans lost, 41-37, on a Senate resolution May 4 for public hearings on MacArthur's ouster. Sen. Richard B. Russell (D., Ga.), Armed Forces Com. chairman who presided over the hearings, stressed the need for protection of military secrets. [See p. 138J]

JAPAN

Treaty Negotiations. Russia proposed May 7 that foreign ministers of Red China, Russia, the U.S. and Britain hold a Japanese peace treaty conference within 2 months. The U.S. State Dept. commented May 8 that Russia was merely trying to "stall" a settlement with Japan and obtain a "double veto" for the Communists against terms Japan and the other Allies want; such proposals have "always been rejected and will be again."

A Soviet note handed U.S. Amb. Alan G. Kirk in Moscow May 8 said the Japanese treaty should: (1) provide for a demilitarized and democratic Japan with limited armed forces and no alliances against its World War II foes; (2) impose no limit on peaceful development of Japan's economy and its trade with other countries; (3) require withdrawal of all occupation forces from Japan a year after the peace is concluded; (4) call for Japan's admission to the UN. Russia accused the U.S. of illegal separate peace talks with Japan, blamed the U.S. for delaying a treaty by rejecting Soviet proposals on the subject and opposing Red China's participation in treaty talks. Moscow said "a real peaceful settlement is impossible" for Japan and the Far East without Red China's participation. Russia has boycotted Japanese treaty negotiations conducted by John Foster Dulles since February.

The State Dept. said May 4 that "definite progress" had been made toward U.S.-British accord on Japanese peace terms, but differences over Formosa and Red China remained to be settled —probably when Dulles visits London in June. [See p. 115G]

To Ease Occupation. Gen. Matthew B. Ridgway announced May 1 that Japan's "growing political maturity" would make it possible to relax occupation controls in preparation for the projected peace treaty with the Western allies. The Japanese press said this will mean removal of "purge" restrictions against participation in public life by 192,000 persons. [See p. 123E]

Elections. Premier Shigeru Yoshida's Liberal Party won local elections April 25 and state (prefecture) elections April 30. In the April 25 municipal voting Japan's last 16 Red mayors were defeated. [See Vol. X, p. 423E; IX, 83F]

Emperor Hirohito, who was 50 April 29, paid his first call on Gen. Ridgway in Tokio May 2. [See p. 122E] . . . **Frank Rizzo** of New York, an Allied official in Tokio since Oct. 1945, was named chief of the Allied Hq. Govt. Section April 18 to succeed Maj. Gen. Courtney Whitney. [See p. 123F]

WEST EUROPEAN DEFENSE

U.S. Troops Fly to Iceland. The U.S. and Iceland signed a pact in Reykjavik May 5 authorizing the stationing of American troops under the North Atlantic Treaty. 200 men commanded by Brig. Gen. Edward J. McGraw landed by plane there May 7. Iceland has 140,000 pop., 39,758 sq. mi. U.S. troops were stationed there during the war. [See pp. 139K-L, 27N; Vol. IX, 114A; VI, 328L, 320J-K, 302M-N; I, 281K]

Atlantic Pact Council. The North Atlantic Council in London May 3 absorbed its Defense Com. (composed of Defense Ministers of member states) and the Defense Financial & Economic Com. in a move to streamline procedure. Defense or Finance Ministers, as well as Foreign Ministers as formerly, may sit on the enlarged council, as well as Prime Ministers and Presidents in emergencies. A new Financial & Economic Board was created to replace the financial committee and will sit in Paris to work with the Org. for European Econ. Coop. Charles M. Spofford, American chairman of the North Atlantic Council deputies, announced the changes. [See p. 3D]

European Army. Gen. Dwight D. Eisenhower toured Belgian Air Force bases May 8 on the 6th anniversary of V-E Day, then went to the Netherlands for a 2-day inspection trip [see p. 139N]. Italy announced May 8 that Gen. Maurizio Lazzaro de Castiglioni, 63, has been named commander-designate of ground troops of the integrated European Army for Southern Europe. Gen. Charles de Gaulle, speaking in Toulouse before 40,000 persons May 6, denounced "projects for a stateless army which are nothing but vague chimeras" [see Vol. X, p. 398N]. Disagreement among the 6 Schuman Plan nations conferring in Paris on forming a European army narrowed down May 5 to whether German units should be "combat teams" of as many as 8,000

men (as proposed by France) or divisions of 11,000 to 13,000 men (as proposed by West Germany). West Germany also wants a 150,000-man army and an air force. [See pp. 124D, 51B]

Council of Europe. The 14-nation Council of Europe's Com. of Forgn. Ministers concluded a 3-day meeting in Strasbourg May 4 after agreeing to admit West Germany as a full and equal Council member. The Council's Consultative Assembly met there May 5 for its 3d annual session. Plans to push European political unity were shelved for the time being because of British opposition. Paul-Henri Spaak of Belgium was elected chairman. [See p. 116A; Vol. X, 391N]

Torquay Tariff Pacts. The U.S. disclosed May 8 it granted new tariff concessions (effective June 6) to 17 countries in agreements reached during a 7-month conference in Torquay, Eng. of the Gen. (Geneva) Agreements on Tariffs & Trade group (Sept. 28-April 21). The U.S. granted what amounted to 25%-50% duty reductions on foreign shipments to the U.S. totaling $419,271,000, 1/10 of U.S. imports. Among products on which the U.S. agreed to cut tariffs are lead, zinc, tobacco, Canadian whisky, aluminum, cotton, gems, laces, embroideries, flower bulbs, cheese, fish, sugar except from Cuba and the Philippines. The other 17 countries granted concessions on 1,325 items to the U.S., largest ones being made by Canada and West Germany. Others completing agreements with the U.S.: Austria, Belgium, Brazil, Denmark, Dominican Republic, France, Indonesia, Italy, Luxembourg, Netherlands, Norway, Peru, Sweden, South Korea, Turkey.

Australia, Britain, Cuba, Guatemala, India, New Zealand and South Africa failed in efforts to negotiate new pacts with the U.S. Most disappointing outcome of the Torquay talks from the U.S. viewpoint was the failure to get Britain to modify its empire-preference tariff system under which Commonwealth nations grant each other lower duties than they give other nations. 147 bilateral agreements were negotiated in Torquay among 39 nations representing 80% of world trade. [See Vol. X, p. 416A]

East-West Trade. West Europe shipped $269 million worth of engineering products to Iron Curtain countries last year, twice as much as in 1948, the UN Econ. Comm. for Europe reported May 6. In the same period U.S. machinery shipments to East Europe dropped off 93%—from $48,100,000 in 1948 to $3,300,000 in 1950. [See p. 149D; Vol. X, 299K]

GERMANY

Nazis Win 11%. The openly pro-Nazi Socialist Reichs Party won 11% of the vote and 16 seats in the state parliamentary elections in Lower Saxony, British zone, May 6. It ranked 4th among 10 parties. With 366,709 votes, it trailed the Social Democrats (1,123,068 votes out of 3,393,696 cast), Christian Democrats and Deutsche Party coalition (798,923) and Assn. for the Homeless & Those Deprived of Rights (496,269). The Communists won 2 seats out of 158 with 61,000 votes. The rise of the SRP, which pledges to restore "all that was good in national socialism," stirred West Germany and the Western Allies. The Bonn Govt., which banned the party's stormtroopers 2 days before the election, promised to watch the new movement. It is led by Dr. Fritz Dorls and ex-Maj. Gen. Otto Ernst Remer. [See Vol. IX, p. 265B; VII, 130B]

First public test of the Schuman coal-steel plan resulted April 29 in a state parliamentary election victory for West German Chancellor Konrad Adenauer's Christian Democratic Party in the Rhineland-Palatinate, French-zone state. The CD, which supported the plan, got 39.2% of the votes and 43 parliamentary seats (against 48 in current Parliament). The Social Democrats, who opposed the plan, polled 34% of the vote and won 38 seats (up 4). The Communists lost all their 7 present seats by failing to poll 5%. [See p. 124D; Vol. VII, 161M]

Austrian Deadlock. Nazi gains prevented election of an Austrian President May 6 when none of 6 candidates won 50% of the vote. Ex-Nazi Prof. Burghard Breitner, League of Independents candidate, polled 15% (662,559 votes), running 3d behind favored Dr. Heinrich Gleissner, Volkspartei (People's Party), 1,725,695 votes, and Dr. Theodore Koerner, Socialist, 1,682,786. Gottlieb Fiala, Communist, got 220,012, about 5%. A run-off election will be held. It was the first presidential election since the war. [See p. 75B; Vol. X, 428G]

GI Slain. Cpl. Paul Gresens, 28, Rochester, N.Y., was shot and killed by one of 2 Russian soldiers while patroling Vienna's international sector May 4. Soviet authorities said their men fired in self-defense. [See Vol. X, p. 384J]

UNITED NATIONS

Council Asks Palestine Truce. By a 10-0 vote (Russia abstaining) in Lake Success, N.Y. May 8, the UN Security Council called on Syria and Israel to cease fire in and around their demilitarized border zone near the Sea of Galilee (Lake of Tiberias). Spokesmen for each country accused the other of aggressive moves but said they would obey the request. Fighting between Israelis and Syrians died down May 9-10. The UN Armistice Mission in Palestine was negotiating with the 2 countries for a detailed settlement of their dispute. The Council resolution, sponsored by the U.S., Britain, France and Turkey, did not fix blame for the Syrian-Israeli strife. Maj. Gen. William E. Riley, UN Chief of Staff in Palestine, told the Council Israel had razed several Arab villages in the neutral zone and moved Arab inhabitants to Israeli territory. [See p. 143B]

(Israeli Prime Min. David Ben-Gurion, visiting the U.S., saw Pres. Truman in Washington May 4 and 8, toured TVA installations in Tennessee and Alabama May 6-7, received an official New York welcome May 9 and spoke there at a celebration of Israel's 3d anniversary May 10.*) [See pp. 149B, 116B, 78D]

Kashmir. Pakistan protested to the Security Council May 5 that India is violating the Council's March 30 resolution on a settlement in Kashmir by promoting plans for a Kashmir Constituent Assembly, which the pro-Indian Kashmir Govt. summoned May 1 to "frame a constitution" for the state. The Security Council April 30 selected Dr. Frank P. Graham, 64, ex-U.S. Senator and ex-president of N.C.U., as UN mediator of the dispute between India and Kashmir over plans for a plebiscite on Kashmir's future. He served on the UN Good Offices Com. for Indonesia in 1947-48, is now Defense Manpower Admin. in the U.S. Labor Dept. [See pp. 107J, 85A]

Secy. Gen. Trygve Lie returned to New York May 4 from a month-long tour of Europe and the Middle East during which he visited Yugoslavia, Greece, Egypt, Israel, Lebanon, Turkey and Syria for the first time. [See p. 126E-F] . . . **World Meteorological Org.** ended its first congress in Paris May 1 after applying for membership as a UN specialized agency, selecting Geneva as its permanent hq., electing Dr. F. W. Reichelderfer, chief of the U.S. Weather Bureau, as president and Dr. G. Swoboda of Switzerland as secretary-general. [See Vol. X, p. 155P, 75A] . . . **Anti-prostitution pact** ratification of Yugoslavia was deposited April 26 and the pact will take effect in 3 months. [See p. 60A] . . . **Stanley Clifford Weyman,** who since 1949 had been a UN correspondent and radio commentator (WFDR-FM, New York), lost his UN press credentials April 25 when it was discovered he was Stephen Weinberg, notorious impersonator of diplomats who was jailed during World War II for running an "Academy for Draft Dodgers" in New York.

NATIONAL AFFAIRS

THE PRESIDENT

Appoints Wage Board. Pres. Truman May 3 appointed the 18 members of the reconstituted Wage Stabilization Board. In addition to the labor members already named by the United Labor Policy Com. [see p. 141E], the WSB consisted of:

Public members—Dr. George W. Taylor (chairman) [see p. 124N], Clark Kerr of the U. of California (vice chrmn.), Prof John T. Dunlop of Harvard, Nathan P. Feinsinger of the U. of Wisconsin, William M. Hepburn of Emory U. and Frederick H. Bullen, ex-secy. of N.Y. State Mediation Board.

Management members—Henry B. Arthur of Swift & Co., J. Ward Keener of B. F. Goodrich Co., Reuben B. Robertson Jr. of Champion Paper & Fiber, Milton M. Olander of Owens-Illinois Glass, Alexander R. Heron of Crown-Zellerbach and Richard P. Doherty of Natl. Assn. of Broadcasters.

The board took office May 8 and started work on a backlog of 1,100-1,200 cases. Economic Stabilization Admin. Eric Johnston May 8 created a Salary Stabilization Board which will be composed of 3 public members and will handle raise issues involving executives and non-union white-collar workers. The new

*Anniversary falls on 5th of Iyar by Hebrew calendar. Gregorian calendar date varies year to year; it fell on May 14 in 1948 when Israel was founded, May 11 this year. Israelis celebrated this May 10 because May 11 fell on Friday, beginning of Jewish Sabbath. [See Vol. VIII, p. 149B]

SSB will follow WSB regulations and policies as far as possible. WSB Chrmn. Taylor will be liaison man between the 2 agencies and an ex-officio, non-voting member of the SSB.

(John Owens, secretary-treasurer of the United Mine Workers, refused May 8 to serve on Defense Mobilization Dir. Charles E. Wilson's proposed manpower advisory committee because UMW representatives "have been ignored in selection of all other committees." His refusal means that the UMW will have no representation on any defense agency.) [See p. 108G; Vol. X, 384M-N]

Civil Defense Advisers. A 12-member Civil Defense Advisory Council was appointed by Pres. Truman May 5 to consult periodically with the Civil Defense Admin. on policy.

Members: for one-year terms—Me. Gov. Frederick G. Payne, Ohio Gov. Frank J. Lausche, Minn. Gov. Luther W. Youngdahl, Chicago Mayor Martin H. Kennelly. 2-year terms—Seattle Mayor William F. Devin; Pittsburgh Mayor David L. Lawrence; Dr. Lillian M. Gilbreath, Montclair, N.J. industrial engineer; Robert L. Smith, Los Angeles Daily News publisher. 3-year terms—ex-Sen. Harry Darby (R., Kan.) [see Vol. IX, p. 389N]; Mrs. Mary McLeod Bethune, Tampa, Fla. educator; George J. Richardson, secretary-treasurer of AFL Intl. Assn. of Fire Fighters; Silliman Evans, president of the Nashville Tennessean. [See pp. 116N, 91G]

Birthday. Pres. Truman celebrated his 67th birthday May 8 [see Vol. X, p. 147P]. Birthday callers included Israeli Prime Min. David Ben-Gurion, who gave him a bronze candelabra made in 1767 [see p. 148J], and Democratic Natl. Chrmn. William M. Boyle Jr., who told Mr. Truman that a majority of Democratic Party leaders want him to run for reelection. [See p. 108A]

Gets 'UN' Piano. Pres. Truman May 9 played an impromptu concert on a "composite" piano made of materials from UN countries. It was presented to him by music lovers during Natl. Music Week festivities. He told guests at the presentation that he disliked boogie-woogie music and some "high hat" opera—although nearly every great opera has something "really worth listening to." But he said he was very fond of light opera and had listened to all the great pianists since his boyhood, even getting a lesson once from Paderewski. He considered Josef Lhévinne "the greatest of them all." [See p. 68H]

CONGRESS

Goods to Reds Curbed. The Senate voted May 10 to ban economic aid to any nation that sends war materials to Russia or its satellites. (The prohibition was an amendment to a $431,102,477 supplemental appropriation to run the Govt. for the rest of fiscal 1951. The appropriation was passed by voice vote.)

A Senate subcommittee May 10 asked John J. McCloy, U.S. High Comm. to Germany, to return home and answer charges that war materials were reaching Iron Curtain areas from West Germany. The Chinese Nationalists recently intercepted a West German ship en route to Red China. Postwar illegal trade between West Germany and the Soviet bloc was estimated at $1 billion. [See pp. 115N, 148D]

Britain's Labor Govt. yielded May 10 to U.S. pressure and banned further shipment of rubber to Red China for the rest of 1951. It acted under prodding of Winston Churchill, who said 46,000 tons of rubber went to China in Jan.-March—2½ times 1950's annual rate. (Russia got 6,324 tons of Malayan rubber in April.) British Prime Min. Clement R. Attlee told Commons May 3 that no war-potential goods had been sent to China from Britain in the past 3 months. But Sir Hartley Shawcross, Board of Trade president, conceded May 7 that although war exports were banned British trade with China rose from £3,600,000 in 1950 to £1,300,000 in 1951's first quarter. [See pp. 133D, 115J]

U.S. Amb. Ernest A. Gross proposed a stringent UN arms embargo against Red China at a meeting of the Additional Measures Com. of the Gen. Assembly in N.Y. May 7. [See p. 89E-F]

Mexican Labor Bill Voted. A bill authorizing the Govt. to import Mexicans for seasonal work on U.S. farms was passed by Senate voice vote May 7 and sent to the House. The measure provided these penalties for employment of "wetbacks" (illegal Mexican immigrants) by U.S. farmers: (1) up to $2,000 fine or imprisonment for up to one year for each alien so employed, (2) denial of legal Mexican laborers imported under the act to farmers who hired wetbacks. The bill would operate under a U.S.-Mexican agreement negotiated in January which requires the Mexican Govt. to transport the workers to the border after which the U.S. Govt. will be responsible for them.

Sen. Dennis Chavez (D., N.M.) protested April 27 & 30 that the pending measure would bring back peonage, benefit only big farmers and lower farm labor standards. The Mexicans are wanted by only 125,000 big farms owned by less than 2% of the nation's farm operators and producing only 7% of the nation's food and fiber. They offered employment only for an average of 90 days a year, he said. Meantime federal officials May 1 began a "get-tough" policy of enforcing existing regulations against hiring "wetbacks." [See p. 125B]

Other Bills Passed. Extension until June 30, 1953 of export controls under which the Govt. bans shipment of strategic goods to Iron Curtain areas; passed by the House April 17 and the Senate May 8 and sent to the President. [See p. 133D] . . . A compromise bill extending the suspension of import duties on copper until Feb. 15, 1953 or until the present emergency ends; approved by the Senate May 8 and sent to the House. The suspension would end before then if U.S. copper prices fall below 2¢ a lb. [See p. 132D] . . . Extension until Dec. 31 of the law permitting 341,000 displaced persons to enter the U.S.; passed by 310-63 House vote May 9 and sent to the Senate. The old deadline was June 30. [See Vol. X, p. 195D]

Tax Boost Backed. The House Ways & Means Com. voted 13-12 May 9 to increase individual income taxes by $2.95 billion a year by adding 3 percentage points to all tax brackets. On May 10 it voted a boost of 5 percentage points in corporation income tax rates—a $2.08 billion tax boost. It agreed tentatively April 30 on a "withholding" plan for collecting taxes on dividends and interest. [See p. 109E]

Committee Changes. Senate Democrats, in the interests of bipartisan foreign policy, agreed May 8 to let Sen. Owen Brewster (R., Me.) take the Forgn. Relations Com. seat vacated by the death of Arthur H. Vandenberg (R., Mich.). They could have given it to a Democrat on the basis of the increase in Democratic Senate strength resulting from the appointment of Blair Moody (D.) to the Michigan vacancy. Instead, they increased the Democratic ratio on the Appropriations Com. from 11-10 to 12-9 and on the Banking Com. from 7-6 to 8-5. Sen. A. Willis Robertson (D., Va.) replaced Sen. Joseph R. McCarthy (R., Wis.) in the Appropriations post, and Moody got Sen. Wallace F. Bennett's (R., Utah) Banking Com. seat. [See p. 131K]

ARMED FORCES

400,000-Man Marine Corps Voted. A bill to raise the maximum strength of the Marine Corps to 400,000, double its present size, was passed unanimously by the Senate May 4 and sent to the House. The measure would make the Marine Corps Commandant a consultant to the Joint Chiefs of Staff. It would allow the corps to build up to 4 combat-strength divisions and 4 air wings instead of 2 each as at present. The bill was opposed by Defense Secy. George C. Marshall, Adm. Forrest P. Sherman, Chief of Naval Operations, and Navy Secy. Francis P. Matthews. Sen. Paul H. Douglas (D., Ill.) sponsored it. [See p. 140C]

Aleutian A-Bomb Test. Sen. Warren G. Magnuson (D., Wash.) disclosed in Seattle May 4, after a trip to the Far East, that a U.S. A-bomb or H-bomb will soon be tested underground in the Aleutians. It may be buried 300 feet, he said. Purpose: to find out what would happen if a saboteur exploded an A-bomb in a U.S. subway or building sub-basement. [See p. 92P]

Ship Goal. Adm. Forrest P. Sherman said at Annapolis May 2 that the Navy's current ship goal—12 large carriers, 15 smaller ones, 3 battleships, 19 cruisers, 250 destroyers, 100 submarines—would be achieved "in the next few months." Pres. Truman's budget provided $218 million for a 57,000-ton supercarrier, $29½ million for an atom-powered sub, the power plant coming from the AEC. [See pp. 139P-140D, 83C]

June Draft Cut. The Army May 4 cut its June draft call to 20,000 men. [See p. 132P]

AF Seeks Women. The Air Force announced May 4 that it will start recruiting more than 40,000 women for the WAF (Women in the Air Force) in June. It has 7,000. [See X, 385P]

Wedemeyer to Retire. The Pentagon confirmed May 7 that Lt. Gen. Albert C. Wedemeyer, 54, author of the Wedemeyer report on Korea and China and commander of the 6th Army since 1948, has requested to retire. He has been offered the chancellorship of UCLA. [See p. 138K-M]

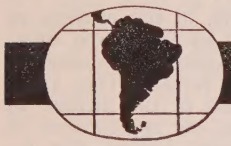
LABOR

Reds' Baggage Boycotted. Homeward-bound Soviet UN delegates and Embassy staff members sailed on the U.S. liner *America* without 17 crates of luggage May 8 because New York longshoremen refused to load it for them. The crates contained TV sets, washing machines and refrigerators. [See Vol. X, p. 302C]

Ship Cooks Meet. The leftwing Natl. Union of Marine Cooks & Stewards, meeting in San Francisco May 1-4, accused "labor gentlemen" such as AFL Pres. William Green, CIO Pres. Philip Murray and UAW Pres. Walter P. Reuther of selling out the nation's workers in the recent wage stabilization dispute. The cooks opposed wage curbs, "escalator" pay contracts and long-term contracts "with miserly yearly wage increases." Hugh Bryson, union president, said his organization was "fighting to get those boys back from Korea and stop that war." [See p. 30J]

Rail Election. The Natl. Mediation Board announced May 3 that Santa Fe Ry. track workers will switch from the CIO United R.R. Workers Union to the AFL Bro'hood of Maintenance of Way Employes as a result of a representation election. They were the only remaining track workers on a major U.S. or Canadian road who had not yet joined the AFL union. [See p. 118B]

Briggs Ends Scrap Deal. The Briggs Mfg. Corp. May 3 ended an arrangement to sell scrap metal to Carl Renda. The Senate Crime Investigating Com. had charged May 2 that the deal was a "legal fiction" to cover alleged use of hoodlums by Renda and Santo Perrone, his father-in-law, to settle Briggs "labor problems" by terrorizing members of the CIO United Auto Workers. The company denied the charges. Renda got the contract in 1945 and netted $50,000-$100,000 a year from it. [See p. 141A]



LATIN AMERICA

Argentina. Pres. Juan D. Perón announced May 1 that *La Prensa* will be given to the Gen. Confed. of Labor. Publishers arrested for "disrespect" of public officials: Martin Michel Torino of the anti-Peronist *El Intransigente* in Salta April 27; Dr. Francisco Scrabino of *La Acción* in Rosario, Peronist but critical of officials of Santa Fé Province, May 2. [See p. 134E] . . . Perón promised his Congress May 1 Argentina will have the world's first "atomic factories capable of supplying the entire country with electric power before the end of 2 years." (Chances are one in 100 that the claims of Dr. Ronald Richter, Perón's atomic researcher, are valid, Dr. Hans Thirring, Austrian atomic scientist, wrote in *UN World* May 1. He said Richter was known as "an eccentric introvert" with "fantastic ideas.") [See p. 102F]

Bolivia. The exiled leader of the Nazi-like Natl. Revolutionary Movement, Victor Paz Estenssoro, polled nearly half the votes in a Bolivian presidential election May 6 (on incomplete returns May 8). He lacked the clear majority over 5 opponents combined required for election, and prospects were that Congress will choose the President. Gabriel Gosalvez, 51, candidate of the Govt.'s Republican Socialist Union and Socialist Alliance and friend of Argentine Pres. Perón, ran 2d. Paz Estenssoro, labor leader exiled to Argentina the past 5 years, heads a movement that is anti-U.S., pro-Soviet, anti-Semitic. It is composed of Bolivian nationalists supported by Communists. [See p. 134F]

Panama. Pres. Arnulfo Arias, who came to power during a Govt. upheaval 17 months ago, was overthrown May 10 after he tried to set up dictatorial rule May 8 by voiding the 1946 Constitution and reviving the 1941 charter under which he ruled Panama during his first regime. He and his Cabinet had invoked rule by decree after an allegedly Red-inspired run on the Govt.-backed Panama Savings Bank. Arias said his opponents were "in league with international communism" to undermine defenses of Panama, the Panama Canal and Latin America.

In the midst of big anti-Arias demonstrations May 8 the Supreme Court invalidated the switch in Constitutions, and Congress voted May 9 to oust Arias, install Vice Pres. Alcibiades Arosemena as his successor. Then Col. José Remón, Panama's "strong man," and his Natl. Police turned against Arias May 10, stormed the Presidential Palace and arrested him after a battle in which 9 persons were killed. Arosemena became President and freed Arias' political prisoners, including Pres. Cristobal Segundo and Vice Pres. Hugo Victor of the Communist Party. [See pp. 134J, 119A-B, 118F, 86H; Vol. IX, 382L-N]

Colombian elections due June 3 were postponed May 3 to permit revision of voter lists. Colombia and the U.S. signed a new friendship, commerce & navigation treaty April 26 to replace one signed in 1861. [See p. 134J] . . . Cuban State (Forgn.) Min. appointed by Pres. Carlos Prío Soccarás May 3: Sen. Miguel Suarez Fernandez, succeeding Dr. Ernesto Dihigo. [See p. 118P] . . . Guatemalan railroad strike April 19-29 was settled when the Govt. agreed to seek a court decision on guilt of 7 discharged railroad workers accused of stealing. Strikers got ¾ pay for time on strike instead of full pay demanded, lost in demands that a Guatemalan instead of an American be employed as master of transportation by the Intl. Railways of Central America in Guatemala. [See p. 86H] . . . **Nicaraguan** Pres. Anastasio Somoza completed the unexpired term of the late Victor Manuel Roman y Reyes and was sworn in for a regular 6-year term May 1. Only Cabinet change: Don Andres Gardia as Education Min. May 5. [See Vol. X, p. 182H] . . . **Paraguay** announced arrest in Asunción April 28 of Capt. Bartolomé Araujo, leader of troops that rebelled in northern Paraguay during the 1947 civil war. He had slipped back into the country from exile. [See p. 10P; VI, 266F-G]

FOREIGN AFFAIRS

Egypt. King Farouk I, 31, and commoner Narriman Sadek, 17, were married May 6 in Cairo when the King signed the marriage contract in a Moslem ceremony the bride did not attend. She joined the King after the ceremony, assumed title as Queen of Egypt. Wedding gifts: 4 Steuben glass vases from Pres. Truman, a silver inkstand from British King George VI, a sable coat for the Queen from Soviet Premier Stalin. [See p. 53E] . . . A social security system providing old age pensions and support to incapacitated workers and widows with minor children took effect May 1. [See p. 53F] . . . The Govt.'s Wafd Party won an absolute majority in the Senate through gains in Senatorial elections April 26. [See Vol. X, p. 198G] . . . The Chamber of Deputies passed a bill April 23 for Govt. surveillance of the membership and activities of all societies. This will permit the Moslem Brotherhood, outlawed for terrorist activities, to resume open activity. [See Vol. IX, p. 77E-F]

Iran. Iran's Govt. May 9 rejected an Anglo-Iranian Oil Co. application under the Anglo-Iranian 1933 oil treaty for arbitration of the oil nationalization dispute. (Iran's oil nationalization law calls for reimbursement of foreign owners of Iranian oil properties.) The Tudeh (Communist) Party demanded in a letter to Premier Mohammed Mossadegh May 8 that all U.S. military advisers be ousted from Iran, Red China recognized and Bahrein, independent Persian Gulf island (under British protection), brought under Iranian sovereignty. Oil exploitation rights on Bahrein are held by the Canadian-registered Bahrein Petroleum Co., whose parent companies are Standard Oil of Calif. and the Texas Co. [See p. 142L-M; Vol. VI, 122G]

Yugoslavia. In an effort to get independent farmers, who still control 75% of the arable land in the country, to increase food production, the Govt. May 5 reduced the amount of foodstuffs they must sell to state shops at low prices. Forced delivery of meat, milk, potatoes, beans and hay was abolished. (In line with its plan to decentralize economic controls, the Federal Govt. gave the 6 Yugoslav republics [states] control over heavy industry, public utilities and social welfare April 6.) [See pp. 126E, 78E] . . . Release of 1,097 political prisoners who renounced the Cominform and "volunteered" to work on a Breza-Vares railroad project was announced in Belgrade May 6. [See p. 78E] . . . Yugoslavia asked the U.S. May 8 for custody of Andrija Artukovis of Los Angeles, Interior Minister in the Croatian Ustachi puppet regime during World War II and an alleged Yugoslav war criminal. The Yugoslav press charged May 8 that Argentina had let Ante Pavelio, head of the Ustachi, set up a Govt.-in-exile there. [See Vol. VII, p. 179B] . . . Belgrade confirmed May 3 that Bohumil Lausman, ex-Czech Dep. Premier, is in Yugo. [See 46C]

FINANCE & ECONOMICS

Army Meat Fraud. Dr. John F. Jones, 26, veterinarian and former Army meat inspector, was convicted by a federal jury in Newark, N.J. May 2 of taking part in a conspiracy which defrauded the Govt. of $1 million during 1947-48 by passing inferior-grade meat bought by the Army as top-grade beef. William Grunstein, Staff Sgt. Samuel A. Auman and Ben Grunstein & Sons of Hoboken, N.J., who were indicted with Jones Feb. 20, pleaded guilty April 30. A 2d New Jersey packer, the American

Packing Corp. of Jersey City, and 9 individuals, including Jones, were indicted on similar charges involving $500,000 in alleged fraudulent overcharges April 3.

Crops. 1950 cotton crop was 10,012,000 bales (value $2,355,878,000), according to a final Agriculture Dept. survey May 8. This compared with 16,128,000 bales ($2,549,744,000) in 1949 and the 11,599,000-bale average of 1939-48. [See Vol. X, p. 411G] . . . Winter wheat crop losses due to drought, cold and pests were confirmed by private surveys May 4-6. A 625 million bu. crop was expected, against the Agriculture Dept.'s estimate of 682,196,000 bu. May 10 and 750,666,000 bu. harvested last year. [See p. 103C-D; Vol. X, 411G] . . . Peanut price supports for the 1951 crop, announced by the Agriculture Dept. May 4: a minimum average of $230.56 a ton ($216 last year). [See p. 70N]

Chamber of Commerce of the U.S., meeting in Washington May 1-2, demanded an immediate end to wage-price-rent controls. It proposed attacking inflation by higher production, higher taxes, cuts in Govt. spending. Dechard A. (Deck) Hulcy, 59, president of the Lone Star Gas Co. and American Gas Assn., was elected chamber president. [See p. 139D; Vol. X, 311G, 151D]

Chile's copper output will go up 47% from 761 million lbs. a year to 1.1 billion under the new agreement with the U.S. (announced by Pres. Gabriel Gonzales Videla May 8). [See p. 134J] . . . **U.S. Treasury** May 8 rejected a chance to redeem a bond issue at the first callable date for the first time since 1933. The bonds were at 2% with $7,986,262,500 outstanding, callable Sept. 15, 1951. If they are redeemed, the Treasury would have to replace them with bonds at higher interest. [See p. 78P] . . . **Men's suits** made of "Viracle"—45% wool and 55% Dacron, a du Pont synthetic—will be introduced this summer (announced by Deering, Milliken & Co. and Hart Schaffner & Marx May 8).

New York City's sales tax went up from 2% to 3% May 1 [see p. 101M]. New York City's Board of Estimate April 26 approved a record $1,336,400,575 budget for fiscal 1952. [See Vol. X, p. 144P] . . . **American Tel. & Tel.'s** agreement with Western Union under which both companies will stay out of each other's public communications field was approved by the FCC April 9 over Justice Dept. protests. AT&T will buy up WU phone facilities in more than 30 states for $2,400,000 and will transfer its telegram service in California, Oregon, Washington, Idaho and Nevada to WU. The Justice Dept. protested that it violated anti-trust policy, but the FCC granted the 2 companies immunity from anti-trust prosecution on grounds that only relatively trivial competition was involved. [See IX, p. 15G]

Canada Steamship Lines has been bought by Sir James Dunn (pres. of Algoma Steel Co.) and associates, it was announced in Montreal April 30. [See Vol. IX, p. 392J-K] . . . **Stern Bros.,** N.Y. department store, was sold to Allied Stores Co. for an estimated $8,136,000 under an agreement ratified by Stern stockholders April 10. [See p. 54N] . . . **Navy** took over the Lustron plant in Columbus, O. April 20. North American Aviation Corp. will use it to make military aircraft. [See p. 85C]

Charles Erwin Wilson's total salary, fees & bonus from Gen. Motors in 1950, announced April 25: $626,300, up $40,200 from 1949. [See p. 52H; Vol. X, 134M] . . . **E. Haldeman-Julius,** 62, Girard, Kan. publisher of "Little Blue Books," was convicted by a federal jury in Ft. Scott, Kan. April 18 of income tax evasion. . . . **Agriculture Secy. Charles F. Brannan** demoted Ralph S. Trigg and Frank W. Wooley, respectively administrator and deputy administrator of the Agriculture Dept.'s Production & Marketing Admin., to special assistants for CCC affairs (they were notified March 30). New PMA Admin.: Gus F. Geissler, Fed. Crop Insurance Corp. manager. Deputy Admin.: Harold K. Hill, assistant PMA administrator. Trigg was reported to be an opponent of the Brannan farm plan. [See Vol. X, p. 301D-E]

BUSINESS & FINANCIAL SUMMARY

Week Ending May 5

FINANCE:

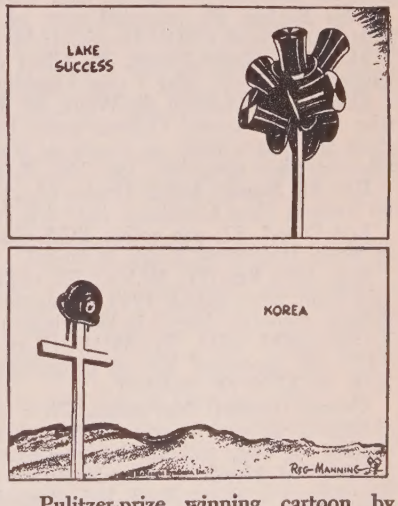
	This Week	Last Week	Year Ago
U.S. Treasury—			
Monetary gold stocks	$21,755,000,000	$21,807,000,000	$24,247,000,000
Currency circulation	$27,255,000,000	$27,122,000,000	$27,051,000,000
Banks—			
Com'l, ind'l & agri'l loans	[a]$19,127,000,000	$19,198,000,000	$13,475,000,000
N.Y. bank clearings	$8,977,405,292	$8,094,486,990	$7,772,034,034
England note circulation (£)	1,318,647,000	1,313,848,000	1,280,316,000
N.Y. Stock Exchange—			
Stock sales (shares)	10,147,028	8,782,380	11,612,640
Stock avgs. (100 stocks)*	144.79	143.92	129.05
SEC composite stock price index (265 U.S. stocks)	187.6	185.9	
Bond sales	$16,727,000	$17,179,600	$18,812,000
Bond avgs. (30 bonds)*	100.24	100.12	100.98
AGRICULTURE:			
Wheat price (bu.)	$2.73¾	$2.75¼	$2.64¼
Corn price (bu.)	$2.05⅞	$2.08⅜	$1.73⅜
INDUSTRY:			
Auto output (cars, trucks)†	[e]147,375	153,586	139,492
Crude oil (bbls. daily)	[br]6,154,000	[r]6,143,750	5,013,950
Soft-coal output (tons)	[c]10,565,000	9,973,000	11,386,000
Elec. output (kwh.)	[b]6,673,505,000	6,730,464,000	5,902,168,000
Carloadings (cars)	[b]824,662	809,520	745,350
Primary aluminum output (Aluminum Assn., lbs.)	**March** 140,044,429	**Jan.-March** 401,431,462	**Jan.-March 1950** 382,176,940
Ind'l output (Fed. Reserve Board, 1935-39=100)	**March** 222	**Feb.** 221	**March 1950** 187
PRICES:	**This Week**	**Last Week**	**Year Ago**
Wholesale food index‡	[d]$7.14	$7.16	$5.84
Weekly wholesale commodity index (BLS, 1926=100)	[d]183.4	183.6	154.7
Consumers' index (BLS, 1935-39=100)	**March 15** 184.5	**Feb. 15** 183.8	**March 15, 1950** 168.4
Foods	226.2	226.0	196.6
Apparel	203.1	202.0	185.1
Rent	134.7	134.0	129.8
BUSINESS:	**March**	**Feb.**	**March 1950**
New incorporations‡	7,649	6,590	9,180
Mfrs.' inventories§	$36,600,000,000	$35,900,000,000	$29,188,000,000
Mfrs.' sales§	$24,400,000,000	$22,000,000,000	$18,531,000,000
Personal incomes (annual rate)§	**Feb.** $241,000,000,000	**Jan.** $240,900,000,000	**Feb. 1950** $215,400,000,000
Dept. store sales (Fed. Res. Board, 1935-39=100)	**This Week** [b]293	**Last Week** 281	**Year Ago** 285
Failures (April 26)‡	162	151	186
LABOR (BLS):	**March**	**Feb.**	**March 1950**
Strikes started	350	[f]350	298
Workers involved	140,000	220,000	85,000
Strikes in effect	550	[f]550	453
Workers involved	280,000	300,000	566,000
Man-days idleness	2,300,000	1,700,000	3,870,000

*N.Y. Herald Tribune †Ward's estimate ‡Dun & Bradstreet §Commerce Dept. [a]Fed. Reserve member banks, 95 cities, April 25 [b]April 28 [c]April 21 [d]May 1 [e]49,143,276 motor vehicles (40,315,175 cars, 8,028,016 trucks, 223,652 buses) were registered in the U.S. in 1950, up 4½ million over 1949 (Bureau of Public Roads report April 28) [f]Corrected [r]Record

ARTS & SCIENCE

Pulitzer Prizes. Columbia U. May 7 awarded its 1951 Pulitzer Prize for the best fiction of the year to Conrad Richter for his novel *The Town.* Carl Sandburg, 73, won his 2d Pulitzer Prize for his *Complete Poems;* Margaret Louise Coit won the biography award for *John C. Calhoun;* the history prize went to R. Carlyle Buley, 57, for *The Old Northwest, Pioneer Period 1815-1840,* and Douglas Stuart Moore, 57, received the music award for his opera *Giants in the Earth.* No award was made for drama or for national reporting, but 6 prizes were given for international reporting, the first time more than one award was made in this field. The national reporting prize was withheld because the outstanding achievement in this field was judged to be an interview with Pres. Truman by the N.Y. *Times'* Arthur Krock, winner of 2 Pulitzer Prizes for national reporting (1935, 1938). Krock is now a member of the Pulitzer Prize advisory board. Each individual winner received $500. Other winners:

Hats



Pulitzer-prize winning cartoon by Reginald W. Manning of *Arizona Republic,* Phoenix.

Intl. reporting—Homer William Bigart (his 2d Pulitzer Prize) and Marguerite Higgins of N.Y. Herald Tribune; Don Whitehead, 43, and Relman Morin,

43, of AP, and Keyes Beech and Fred Sparks, 35, of Chicago Daily News. Sparks won the prize for a story about the training of a new army by the Communists in Germany, the others won it for Korea stories. (Cyrus L. Sulzberger of N.Y. Times won a special citation for an interview with Archbishop Alojzije [Aloysius] Stepinac, jailed Yugoslav primate.)

Local reporting—Edward S. Montgomery, 40, of San Francisco Examiner for exposure of corruption in Bureau of Internal Revenue.

Editorial—William H. Fitzpatrick of New Orleans States for editorials on constitutional issue in treaty ratifications.

Editorial cartoon—Reginald W. Manning of Arizona Republic. [See p. 151M]

Photography—Max Desfor, 37, of AP for Korean war photos.

Public service by newspaper (gold medals)—Miami Herald and Brooklyn Eagle for exposing official corruption and organized crime.

$1,500 art scholarship (art student chosen by Natl. Academy of Design as "most promising & deserving," announced by Columbia U. simultaneously with the Pulitzer Prizes)—Arthur Howard Hansen, 21, of Seattle, student at New York's Art Students League. [See Vol. X, p. 143A-E]

NEW BOOKS

BALKAN CAESAR: Tito's Quarrel with Stalin, by Leigh White. Ex-Moscow correspondent on Yugoslavia. May 7. (Scribner, $2.75)†

THE BATTLE AGAINST DISLOYALTY, by Nathaniel Weyl. Study of witch-hunts and counter-espionage in U.S. May 7. (Crowell, $3.75)†

THE CHINA STORY, by Freda Utley. Denunciation of U.S.' China policy. May 9. (Regnery, $3.50)†

DOMINATIONS & POWERS: Reflections on Liberty, Society & Government, by George Santayana. Philosophy. May 7. (Scribners, 481 pp., $4.50)†

THE SEASON OF THE STRANGER, by Stephen Becker. Novel about American teacher in modern China. A Harper "Find." May 9. (278 pp., $3)*

WE BARRYMORES, by Lionel Barrymore & Cameron Shipp. Story of the acting clan. May 8. (Appleton-Century-Crofts, 311 pp., $3.50)†

*Fiction †Non-fiction

NEW YORK THEATER

OPENED

STALAG 17. Comedy melodrama by Donald Bevan & Edmund Trzcinski based on their experiences in German prisoner-of-war camp during World War II. Staged & produced by José Ferrer in association with Richard Condon. Cast includes John Ericson, Robert Strauss, Harvey Lembeck, ex-world citizen Garry Davis. May 8 at 48th St. Theater. (6-2-0)*

CLOSED

THE LITTLE BLUE LIGHT, 8 performances, May 6. [See p. 143L]

OUT OF THIS WORLD, 157 performances, May 5. [See Vol. X, p. 427J]

*1st figure—favorable reviews; 2d—mixed; 3d—unfavorable [See p. 143M]

OBITUARIES

Prince Amir Mansur Ibn Abdul Aziz, 29, 5th of Ibn Saud's 40 sons, Saudi Arabia Defense Min.; May 1 in Paris of heart attack.

Warner Baxter, 58, film actor who won 1929 Academy Award for role of Cisco Kid in *In Old Arizona*; May 7 in Beverly Hills, Calif. of bronchial pneumonia after lobotomy to relieve arthritis.

John Boylan, 58, impartial secy. of Anthracite Conciliation Board, ex-pres. of UMW District 1; May 2 in Scranton, Pa.

Maj. Gen. Lytle Brown, 78, Chief of U.S. Army Corps of Engineers 1929-35; May 3 near Franklin, Tenn.

Count Henri Carton de Wiart, 82, Belgian Premier 1920-21 who served in several Cabinet posts, headed Christian Socialist Party and was a leader in League of Nations; May 6 in Brussels after intestinal operation. [See Vol. X, p. 189H; IX, 263A]

Rev. Dr. Samuel Arthur Devan, 63, ex-director of Gen. Comm. on Army & Navy Chaplains; May 4 in Washington.

Leo Diegel, 52, pro golfer, PGA champ 1928, 1929; May 8 in North Hollywood, Calif. of cancer.

Rep. John Kee (D., W.Va.), 77, chrmn. of House Forgn. Affairs Com. since March 1949, Congressman since 1933, Truman Admin. supporter; May 8 in Washington of heart attack [see Vol. X, pp. 275M, 22M; IX, 88H]. (Rep. James P. Richards [D., S.C.], 56, succeeded Kee as committee chairman.) [See Vol. X, p. 367M-N; IX, 343E-F]

George (Elbows) McFadden, 79, a leading lightweight boxer at turn of century who never became champion although he KO'd champs Joe Gans and Kid Lavigne; May 6 in New York.

Ernest M. Morris, 68, founder-chrmn. of Associates Investment Co.; May 3 in South Bend, Ind. of cerebral hemorrhage.

Dr. Bernard F. Schreiner, 64, pioneer in radium & X-ray treatment of cancer; May 8 in Buffalo, N.Y. of heart attack.

Dr. Henryk Strasburger, 63, Polish Amb. in London 1944-46, Finance-Industry-Commerce Min. of Polish Sikorski Govt. in London 1939-42; May 3 in exile in London.

Benedict Humphrey Sumner, 57, British historian noted for books on Russia; April 25 (reported May 3 in Oxford).

Col. Gen. Vasily Vasilevich Ulrich, 62, who presided over Moscow purge trials in 1930s; death announced in Moscow May 10.

Prof. Elmo Scott Watson, 59, journalism educator, authority on history of the West; May 5 in Denver.

Charles Woletz, 65, Supreme Chief Ranger of the Foresters of America; May 7 in Jersey City of heart ailment.

SPORTS

Baseball. Cliff Chambers, 29, of the NL Pittsburgh Pirates pitched a no-hit game in beating the Boston Braves 3-0 in Boston May 6. [See Vol. X, p. 364L]

Horse Racing. The 77th Kentucky Derby in Louisville May 5 was won by Count Turf, an outsider not mentioned by any Derby expert as having a money chance. One of 5 horses in the pari-mutuel "field," he paid $31.20-$2 to win. His time: 2:02 3/5 for 1¼ mi. Royal Mustang, 53-1 longshot, was 2d and Ruhe (11-1) 3d. Favorite Battle Morn ran 6th in a field of 20 horses. Winter favorite Uncle Miltie did not run. Count Turf, owned by Broadway restaurateur Jack Amiel and ridden by Con McCreary, won $98,050 of the $126,100 Derby purse. $1,294,474 bet through the mutuels on the Derby was a world record for one race. [See p. 136E; Vol. X, 152F]

Winners of British flat-racing classics at Newmarket, Eng.: 2,000 Guineas May 2—Ki Ming, Arthur Breasley up. 1,000 Guineas May 4—Belle of All, Gordon Richards up. [See p. 120M-N]

Golf. $3,000 2d section of women's Weathervane cross-country tourney, in Pebble Beach, Calif.: won May 6 by Patty Berg of Minneapolis, for $750. [See pp. 144L-M, 128J-K]

Russia was admitted to the 1952 Olympic Games by 31-0 vote of the Intl. Olympic Com. in Vienna May 7. [See p. 136H]

MISCELLANEOUS

200 Die in El Salvador Quake. About 200 persons were killed, 700 injured and 20,000 made homeless by earthquakes in southeastern El Salvador May 6-7. Jucuapa (pop. 14,000), where most of the deaths occurred, and Chinameca (pop. 8,000) were almost totally destroyed May 6. [See Vol. X, p. 388P]

Willie McGee Executed. Willie McGee, 37, was electrocuted in Laurel, Miss. at 12:05 a.m. May 8 after last-minute appeals to the Governor, President and Supreme Court failed. A Negro, he was convicted 3 times of raping a white woman in Nov. 1945. The Supreme Court turned down 3 appeals. His defense was that he was innocent. The sentence was fought on grounds that the Mississippi death penalty for rape applied only to Negroes. The case attracted worldwide attention. [See Vol. X, p. 240N]

N.Y. Police Indictments. 77 present and ex-police officers were accused by a Brooklyn grand jury May 9 of taking $1 million a year in bribes from Harry Gross to protect his $20 million-a-year bookmaking syndicate. 21 of those accused were indicted, including retired Inspectors Frederick A. Hofsaes, 55, and John E. Flynn, 46. The remaining 56 were listed as co-conspirators and will not be tried because of lack of evidence.

Those named as co-conspirators included an assistant chief inspector, a deputy chief inspector and 5 former inspectors. 437 policemen retired in the 3-week period ended May 7, effective date of a new law requiring police to file 30 days before they retire. The law was adopted because policemen had been quitting to avoid signing waivers of immunity for testifying in the police investigation. [See p. 132B]

Florida Bans Klan Masks. A bill banning public wearing of masks and cross-burning in Florida was signed by Gov. Fuller Warren May 8. He also signed an anti-gambling law which allows a losing bettor to sue to recover his loss. [See p. 125M]

Archduke Otto of Hapsburg, 38, pretender to Austrian throne, and blonde German Princess Regina of Saxe-Meiningen, 26, were married in Nancy, France May 10. [See Vol. IX, p. 36K-L]

Mary Astor, 45 (or 50), took an overdose of sleeping pills in her home in San Fernando Valley May 8. It was her 3d suicide attempt in less than a year. Dancer Joan Blair Casparis, 33, divorcée who toured Hollywood night clubs with Miss Astor's husband, Broker Thomas E. Wheelock, the night before the actress' suicide attempt, tried to take her own life with an overdose of sleeping pills May 8. Both women recovered. [See Vol. VI, p. 7H]